

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 96-384-C - ORDER NO. 97-680
AUGUST 7, 1997

| | | |
|---------------------------------------|---|-----------------|
| IN RE: U S West Long Distance, Inc. - |) | ORDER DENYING |
| Application for a Certificate of |) | PETITION |
| Public Convenience and Necessity |) | FOR REHEARING |
| to Provide Resold Telecommunica- |) | AND |
| tions Service Within the State. |) | RECONSIDERATION |

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the Petition for Rehearing and Reconsideration of Order No. 97-455 filed by the Consumer Advocate for the State of South Carolina. In Order No. 97-455, the Commission granted a certificate of public convenience and necessity to provide resold telecommunications services within the State of South Carolina to U S West Long Distance, Inc. ("U S West"). Order No. 97-455 also approved "relaxed regulatory treatment" pursuant to the same methodology as granted to AT&T Communications of the Southern States ("AT&T") under Order Nos. 95-1734 and 96-55.

The Consumer Advocate complains that the Commission, by granting the "relaxed regulation," has violated the provisions set forth in S.C. Code Ann. §58-9-585 (Supp. 1996) and has acted in excess of its statutory authority. The Consumer Advocate asserts that S.C. Code Ann. §58-9-585 (Supp. 1996) provides the only means

by which the Commission may choose to lift, remove, or not require maximum rates for telecommunications service of an interexchange carrier ("IXC").

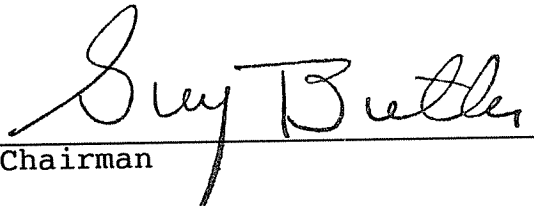
We have ruled on this matter in other cases and have denied similar Petitions for Rehearing or Reconsideration based on similar grounds. We deny the Petition in this instance as well. We note that S.C. Code Ann. Section 58-9-585 (Supp. 1996) discusses that the Commission may consider alternative means of regulating a carrier. We interpret this as being a permissive directive of the Legislature, and one that the Commission is not bound to follow, should it possess other proper bases for its ruling. We note that S.C. Code Ann. Section 58-9-720 (1976) holds that "the Commission may, upon its own motion or complaint, ascertain and fix just and reasonable classifications, regulations, practices or service to be furnished... by any or all telephone utilities..." We believe that this general authority allows us to establish such reasonable practices as we see fit for the regulation of telecommunications carriers, above and beyond S.C. Code Section 58-9-585, including our promulgation of Order No. 84-622 and possible modifications. Further, we announced in the AT&T Orders, that those Orders were modifications of our original Order No. 84-622 which has governed the regulation of IXCs since 1984. We therefore disagree with the Consumer Advocate's contention that S.C. Code Ann. Section 58-9-585 provides the only means by which the Commission may choose to lift, remove, or not require maximum rates for telecommunications carriers.

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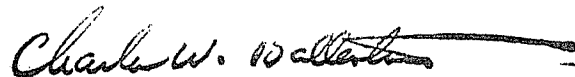
We believe we acted properly. Therefore, the Petition for Rehearing and Reconsideration of the Consumer Advocate is denied.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)